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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

May 15, 2008

Dave Shaver, Resident Agent
Andalex Resources, Inc.
P.O. Box 1077
Price, Utah 84501

Subject: Administrative Completeness Review – Determined Complete, Andalex Resources, Inc.,
Wildcat Loadout, C/007/0033, Task ID #2966, Outgoing File

Dear Mr. Shaver:

On April 30, 2008 Andalex Resources, Inc. provided the Division with an application for a significant revision to the Wildcat Loadout Mining and Reclamation Plan. The full application has been determined to be complete. A copy of the Administrative Completeness Review (ACR) is enclosed.

Andalex Resources, Inc. must now provide public notification of the proposal as required by R645-300-121.100. The notice must be in a local newspaper at least once a week for four consecutive weeks and must contain all the information described in R645-300-121.100 *et seq.* Andalex Resources, Inc. must provide a copy of the significant revision for public review at the Carbon County Courthouse by the time of the first public notice (R645-300-121.200). A copy of the published notice should be sent to the Division as soon as it is available. An affidavit of publication will also be required to be in the final application.

We will proceed with our obligation to notify local, state and federal government agencies of your intent to add 170 acres to the Wildcat Loadout permit area, located in Carbon County, T.13 S., R.9 W., Sections 33, approximately 3 miles west of Hwy 6 on the Consumers Road (R645-300-121.300 *et seq.*).

A technical review of your plan will be initiated. Prior to approval, the Division must find that your application is technically complete. Review of significant revisions must allow time to incorporate any public comment, but may not exceed 120 days (R645-300-131.114). The Division will also coordinate with other agencies and incorporate their comments into our review process. We look forward to working with you throughout the permitting process. Please contact Priscilla Burton at (435) 613-3733 or myself at (801) 538-5262 with your questions.

Sincerely,

James D. Smith
Permit Supervisor

PWB/an
Enclosure

cc: Dana Dean
Price Field Office



**ADMINISTRATIVE COMPLETENESS REVIEW WORKSHEET
(R645-100)**

DATE: May 9, 2008

REVIEWER(S): Wayne Western, Joe Helfrich, Jim Smith, Priscilla Burton

APPLICANT: Andalex Resources Inc.

MINE NAME: C007/0033 **FILE NO.:** 2966

"Administratively Complete Application" means an application for permit approval or approval for coal exploration, where required, which the Division determines to contain information addressing each application requirement of the State Program and to contain all information necessary to initiate processing and public review.

Directions: The categories listed below correspond to the minimum requirements for information necessary to initiate processing and public review. If a category is checked the Applicant has met the Completeness requirement for that category. If a category is not checked, the Completeness requirements have not been met. The comments column will identify the deficiency and what is necessary to correct it.

Comments		
301-112	Identification of Interests <u>X</u>	Appendix A, Part 1
100	Applicant's Business Structure <u>X</u>	Appendix A, Par
210	Applicant's Name/Address/Phone <u>X</u>	
220	Resident Agent's Name/Address/Phone <u>X</u>	Dave Shaver
230	Name/Address/Phone of AML Fees Payer —	N/A for loadout
300	Corporate Structure & Ownership <u>X</u>	App. A, Part 1 Section 1, Figure 1
400	Identify Other Mining Operations in US <u>X</u>	App. A. Part 2
500	Surface & Mineral Ownership <u>X</u>	BLM surface, see App. B
600	Ownership Contiguous to Permit <u>X</u>	Plate 16
700	MSHA Numbers <u>X</u>	
800	Interest in Contiguous Lands <u>X</u>	Disturbed area to include 81.79 acres. Larger permitted area to include 270 acres of interest.

301-113	Violation Information	<u>X</u>	
100	Suspension or Revocation Information	<u>X</u>	
300	List of Violations - 3 Previous Years	<u>X</u>	App.B, Part B
301-114	Right of Entry	<u>X</u>	BLM lease amended Feb 5, 2007 (App B-Part A-12) includes 270 acres
301-115	Status of Unsuitability Claims	<u>X</u>	no change to existing MRP, BLM Environmental Analysis in App. T
301-116	Permit Term	<u>X</u>	Permit last issued May 5, 2004 for 5 year term, see App B-Part A-1.
301-117	Insurance	<u>X</u>	App B - Part C -34
	Proof of Publication	<u>X</u>	Proof of the publication must be filed with the application within four weeks of date of first publication.
	Facilities and Structures Used in Common	<u>X</u>	n/a
301-118	Filing Fee	<u>X</u>	n/a
301-123	Notarized Signature of Responsible Official	<u>X</u>	C1 form
301-130	Information Collection: Technical Data Accompanied by Names of Persons or Organizations that Collected and Analyzed the Data - Dates of Collections - and Analysis of the Data and Description of the Methodology Used to Collect and Analyze Data	<u>X</u>	included with each report.

301-200	Soils	<u>X</u>	Appendix S describes the proposed expansion and construction to the existing site.
211	Description of Pre-mining Soil Resources	<u>X</u>	Appendix D and supplement
221	Prime Farmland Investigation	<u>X</u>	Appendix D, SCS 1988 determination still valid, no prime farmland.
222	Soil Survey	<u>X</u>	Appendix D supplement.
224	Substitute Topsoil Info (When Proposed)	<u>X</u>	App. S
230	Operation Plan Topsoil Handling/Removal/Storage	<u>X</u>	Section R645-301-212 states 4.67 acres additional topsoil storage. See details in App S.
240	Reclamation Plan Soil Redistribution/Stabilization	<u>X</u>	App. S

301-300	Biology	<u>X</u>	The Biology information is included in Volume 1 Chapter three of the application.
320	Vegetation Information	<u>X</u>	Vegetation information is provided for in Volume 1, Chapter 3 and Appendix S of the application
322	Fish and Wildlife Information	<u>X</u>	Fish and Wildlife information is provided for in Volume 1, Chapter 3, Final EIS DOI 1979 Development of Coal Resources in Central Utah, table III-3, Appendix E and Appendix F of the application.
323	Maps/Photos Vegetation-Fish-Wildlife Areas	<u>X</u>	A vegetation map is included in the mapvolume plate 29. Prior to approval the applicant will need to provide wildlife maps for the proposed expansion.
330	Operation Plan Vegetation-Fish-Wildlife Protection	<u>X</u>	Fish and Wildlife Protection is included in Volume 1 chapter 3 pages 3-15 through 3-27 and the final EIS DOI 1979 Development of Coal Resources in Central Utah, table III-3, Appendix E and Appendix F of the application. Water consumption estimates are also provided.
341	Reclamation Plan for Revegetation	<u>X</u>	The application includes a reclamation plan for the current and additional proposed disturbed areas. The plan is described in Volume 1 chapter 3 pages 3-18 through 3-38

342	Fish & Wildlife Plan for Reclamation Phase <u>X</u>	A fish and wildlife plan for post-operation phases (reclamation, liability) is included in Volume 1 chapter 3 pages 3-36 through 3-39 and Appendix F.
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301-400	Land Use and Air Quality <u>X</u>	Land Use Zoning MG-1 for mining and grazing. Air Quality Order DAQE-005-00 in App B-Part A-13 which allows for 20 acres of coal stockpiles. Modification describes expansion of coal stockpile by 6.71 acres. Phase I (DO response) described in Section R645-301-423.200. Coal fines accumulation map App. U.
411	Pre-Mining Land Use Information <u>X</u> (Includes Cultural Resources)	Pre-Mining Land Use and Cultural Resource information is included in Volume 1, chapter 4 pages 4-1 through 4-4 of the application. see also App B parts A-16 and 17 in confidential.
412	Post-Mining Land Use Information <u>X</u>	Post-Mining Land Use and Cultural Resource information is included in Volume 1, chapter 4 page 4-6 of the application.

301-500	Engineering <u>X</u>	
510 520	General Description of Operation Plan <u>X</u> (Maps, Locations, Cross-Sections, Narrative, Descriptions & Calculations)	Disturbed area described in Section R645-301-521, pg 5-83. Two phase modification shown on plates 1A-a and Plate 1A. Section R645-301-423.300 provides description of the two phases.
522	Coal Recovery Description <u>X</u>	No coal mining will take place, just coal preparation.
523	Mining Methods <u>X</u>	No coal mining only coal processing
524	Blasting and Explosives Plan <u>X</u>	No blasting scheduled.
525	Subsidence Control Plan <u>X</u>	No underground mining
526	Mine Facilities Description <u>X</u> (Narrative, Plans, Maps) Including Existing Structures & Support Facilities	Expand coal stockpile, add storage yard, expand topsoil storage areas. See App. S for modification plan
527	Transportation Facilities <u>X</u> (Including Plans & Maps)	PR - 5 and Pr- 11 to be modified. More information is needed for roads to some ponds and topsoil stockpiles.
528	Coal Mine Waste Plans <u>X</u> (Description & Designs)	Section R645-301-512.230 describes use of waste rock for foundation . Appendix O provides testing for acid/toxic. App. C. for original Soil and Foundation Investigation

529	Management of Mine Openings (Design)	<u>X</u>	No underground openings
531	General Plans for Structures	<u>X</u>	
532	Sediment Control	<u>X</u>	
533	Impoundments	<u>X</u>	Section R645-301-512.240 and App. R

301-534	Roads (Plans, Drawings, Designs, & Specifications)	<u>X</u>	
535	Spoil	<u>X</u>	
536	Coal Mine Waste	<u>X</u>	
537	Regraded Slopes	<u>X</u>	
540 541-542	Reclamation Narrative, Maps and Plans	<u>X</u>	Modified section R645-301-541 to remove sediment ponds during initial reclamation grading. Plate 9 shows mass balance and reclamation contours.
551	Casing and Sealing Underground Openings	X	
553	Backfilling and Grading Description	<u>X</u>	

301-600	Geology	<u>X</u>	
621	Description of Geology (Permit & Adjacent Area)	<u>X</u>	No changes have been made to the text of Chapter 6, Geology.
622	Geologic Cross-Sections, Maps, and Plans	<u>X</u>	The Geologic Map, Plate 12, has been revised. Surface geology is from a USGS geologic map.
630	Plans for Casing and Sealing Holes	<u>X</u>	NA - there are no boreholes or wells.

301-700	Hydrology	<u>X</u>	Appendix R, which contains the Sedimentation and Drainage Control Plan - including design details, has been added.
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721	Description of Hydrologic Resources (Permit and Adjacent Area) <u>X</u>	No change from the currently approved MRP.
722	Cross-Sections and Maps <u>X</u> Subsurface Water - Surface Water - Monitoring Stations - Wells	The updated Drainage Map (Plate 2) shows the monitoring points and surface hydrology. Plates 4, 5, 6, and 7 - pond as-built drawings - have been removed and replaced with Plates 3B - F, which show the proposed modifications of ponds E and F and designs for new ponds G, H, and I. Plate 3A shows the as-built design for pond C, which apparently will remain as is. Plate 3G, the as-built drawing of the Permanent Impoundment, replaces Plate 18, and Plate 3H shows the Loadout Depression Area, which is not depicted in the current MRP. Reclamation Hydrology has been consolidated onto one drawing, Plate 8. The profile and cross-section of ditch UD-1, Plates 19 and 20, have been removed.
723	Sampling and Analysis <u>X</u>	No change from the currently approved MRP except three UPDES monitoring points will be relocated.
724	Baseline Information <u>X</u> Ground Water - Surface Water - Geology - Climatological & Supplemental; If Needed	No additional baseline data have been submitted.
728	PHC Determination <u>X</u>	No change in the PHC, which is Appendix J in the currently approved MRP.
730	General Operation Plan <u>X</u> Minimize Disturbance to Hydrologic Balance & Compliance with Clean Water Act	The disturbed area will be larger. Two sedimentation ponds will be enlarged and three ponds will be replaced with new ponds. Overall, there is little change in the General Operation Plan.
731	Ground and Surface Water Protection <u>X</u>	Three sedimentation ponds are to be replaced with larger ponds.
732	Ground and Surface Water Monitoring <u>X</u>	Surface -water monitoring is described in Section 723. There is no ground-water monitoring at this site. Appendix M, titled Water Monitoring Data but which contained little data, has been removed.

301-740	Plans and Designs Operation and Reclamation Plan Sediment Control Measures	<u>X</u>	Plans and designs are mainly in Appendix R
	Siltation Structures	<u>X</u>	
	Sediment Ponds	<u>X</u>	Sedimentation Ponds A, B, and D will be eliminated, and ponds G, H, and I added. Ponds C, E, and F will remain, but E and F will be enlarged.
	Other Treatment Facilities	<u>X</u>	There are no Other Treatment Facilities
	Diversions	<u>X</u>	Diversion design information is in Appendix R
	Road Drainage	<u>X</u>	Road Drainage is not treated separately and is included in the Sedimentation and Drainage Control Plan in Appendix R.
	Impoundments	<u>X</u>	The Permanent Impoundment and Loadout Depression remain in the plan: these are not sedimentation ponds.
	Discharge Structures	<u>X</u>	Information on Discharge Structures is in Appendices L and R. UPDES permit effective May 1, 2008, should be added to App. B Part A-21 during technical review.
	Disposal of Excess Spoil	<u>X</u>	
	Coal Mine Waste	<u>X</u>	NA - there is no spoil at this loadout operation
	Disposal of Non-Coal Mine Waste	<u>X</u>	Coal mine waste is discussed in Section 512.230.
	Casing and Sealing of Wells	<u>X</u>	Disposal of non-coal mine waste is discussed in Section 512.230. NA - there are no boreholes or wells.

301-800	Bonding and Insurance	<u>X</u>	
820	Applicant Have Adequate Bond at Permit Issuance	<u>X</u>	App. B, Part D Last revised October 2006, \$651,000 through Rockwood Casualty Insurance Company.
830	Bond Estimate and Calculations Provided	<u>X</u>	The significant revision includes 20 acres additional disturbed area to facilitate topsoil storage, coal pile expansion and a new storage area. The Permittee will supply additional information once the general reclamation plan has been agreed upon.
890	Certificate of Insurance Provided	<u>X</u>	

302-200	Special Categories of Mining	<u>X</u>	coal processing plant
210	Experimental Practices Mining	—	n/a
220	Mountaintop Removal Mining	—	n/a
230	Steep Slope Mining	—	n/a
240	Auger Mining	—	n/a
250	In Situ Processing Activities	—	n/a

302-260	Coal Processing Plants (Not Located Within Permit Area of Mine)	<u>X</u>	crushing/sorting/loading by truck and rail
270	Variances From Approximate Original Contour Restoration Requirements	—	n/a
280	Variances for Delay in Contemporaneous Reclamation Requirement in Combined Surface and Underground Coal Mining Activities	—	n/a
290	Small Operator Assistance Program (SOAP)	—	n/a

302-300	Special Areas of Mining	—	n/a
301	Prime Farmland	—	n/a
302	Alluvial Valley Floors	—	n/a